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E.O. 12958: DECL: 07/25/2016 TAGS: <u>PGOV SNAR KCRM PM</u>

SUBJECT: PANAMA REELS FROM LOSS TO KEY ANTI-DRUG OFFICIALS

REF: PANAMA 1423

Classified By: Ambassador William A. Eaton - Reasons 1.5 (b and d)

11. (C) The sudden July 20 resignation of Panama's top anti-drug prosecutor, Patricio Candanedo, has dealt a harsh blow to a law enforcement community that was already reeling from the suspicious July 19 death of Franklin Brewster, the top counter-narcotics detective in the Judicial Technical Police ("PTJ," the GOP's FBI-like agency.) A group that purports to be linked to the FARC has put forth unsubstantiated claims of responsibility for Brewster's death as part of a broader campaign of retaliation against GOP and U.S. officials. Although President Torrijos said that he is "very concerned" about the state of Panama's counter-narcotics institutions, Attorney General Ana Matilde Gomez denied that these agencies are in crisis. Clearly a setback for counter-narcotics efforts in Panama, this episode's full impact remains to be seen, but it cannot help but erode already weak public confidence in the GOP's law enforcement institutions. End summary.

Veteran Anti-Drug Prosecutor Quits

- 12. (C) Candanedo, a 27-year veteran prosecutor and close collaborator with U.S. law enforcement agencies, announced July 20 that he was quitting his post as the Public Ministry's (PM's) top counter-narcotics prosecutor. He said that the GOP is poorly equipped to combat what he maintains is a rise in organized crime, drug trafficking, and gun running in Panama. Candanedo led Panama's participation in the multilateral "Twin Oceans" operation that netted Colombian druglord Pablo Rayo Montano on May 16. He said that, since Rayo Montano's arrest, he has seen a growing climate of "attacks" instigated by those with possible ties to Rayo Montano, including some powerful Panamanian government, business, and media figures.
- 13. (C) Candanedo downplayed publicly the notion that AG Gomez had forced him out by punishing him over a series of supposed administrative lapses as payback for an old grudge. (Note: As a young PM official about a decade ago, Gomez was fired for allegedly disobeying an order involving the handling of an arrested drug suspect. Since returning the head the PM as Torrijos' AG, she appeared to pursue a vendetta in forcing the departure of several officials that she believed played a role in her own ouster. End note.) Privately, however, Candanedo made clear that he felt Gomez

had trumped up administrative complaints against him over what he maintains were insignificant management failures (e.g., not signing routine documents within mandated periods). She put him on a month of unpaid leave on June 17 and, upon his return to work on July 17, she slapped him with more sanctions for alleged administrative "negligence." With more such punishment apparently in the offing, Candanedo decided to quit.

Shawdowy Group Claims Role in Detective's Death

- 14. (SBU) As reported reftel, Brewster's July 19 death came sixteen days after his apparent poisoning. As head of the PTJ's "Sensitive Investigations Unit" composed of USG-vetted officers, Brewster was a close USG collaborator and played a lead role for the GOP in the "Twin Oceans" operation. Although lab tests remain incomplete, Panama's medical examiner told the press July 20 that Brewster died from ingesting an insecticide-like substance.
- 15. (C) On July 21, the PTJ and various news agencies received an anonymous fax claiming that Brewster was killed in retaliation for his part in "Operation Alamo," an element of the "Twin Oceans" operation. The fax claimed that a heretofore unknown "Operacion Factura Roja" ("Operation Red Invoice") has a hit list of another eight drug enforcement officials. This was followed by an anonymous July 23 email to several news agencies claiming that a campaign has been mounted to use phosphate or paraquat to "eliminate agents of the CIA-ATU" in Panama. The note also claimed that the "Factura Roja" cell in Panama has obtained 50 kilograms of C4 explosive and cellular detonators and that it has the "technical assistance" of FARC "specialists."
- $\P6$. (C) Although the July 21 and July 23 threats could be hoaxes, Post cannot completely dismiss their authenticity and we have heightened our security posture (septel).

Comment: Temporary Setback or Big Blow to Our CN Efforts?

 \P 7. (C) Given the pivotal role that both Brewster and Candanedo played in the Rayo Montano case, among others, their sudden loss is clearly a setback for U.S. drug enforcement efforts in Panama. Although President Torrijos said that he was "very concerned" about these developments, AG Gomez denied that Panama's law enforcement agencies are in crisis. Our immediate challenges are to: (1) assist the GOP in conducting a robust investigation into Brewster's death and, (2) focus the AG on shoring up the prosecutor's office and keeping it from going into a full tailspin. While the full impact of these developments remains to be seen, the confluence of these events - together with the recent drug-related charges filed against the GOP's drug prosecutor in Colon, Aminta Corro - cannot help but erode already weak public confidence in the GOP's law enforcement institutions. Moreover, they raise the troubling specter that powerful interests possibly linked to the Rayo Montano case may have begun a campaign to intimid ate law enforcement officials in Panama. End comment. EATON